

BILL NO. 88-29.

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

AS AMENDED

BILL NO. 88-29 (As Amended)

Introduced by Council Member Parrott

Legislative Day No. 88-15 Date May 17, 1988

AN ACT to grant a nonexclusive franchise to Clearview CATV, Inc., to operate a cable television system in Harford County; to incorporate the terms of the franchise application and franchise agreement into this Act; and generally relating to the grant of a cable television franchise to Clearview CATV, Inc.

By the Council, May 17, 1988

Introduced, read first time, ordered posted and public hearing scheduled

on: June 14, 1988

at: 7:00 P.M.

By Order: Doris Poulsen, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on June 14, 1988

and concluded on June 14, 1988

Doris Poulsen, Secretary

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

BILL NO. 88-29.

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1 **WHEREAS**, the County Council, pursuant to Chapter 235 of the
2 Harford County Code and Article 25A, Section 5(B) of the
3 Annotated Code of Maryland, is authorized to grant one or more
4 nonexclusive franchises to operate a cable television system
5 within the county; and

6 **WHEREAS**, the Council has received an application for a cable
7 television franchise from Clearview CATV, Inc.; and

8 **WHEREAS**, after evaluating the information submitted by
9 Clearview CATV, Inc., the Council has determined that Clearview
10 CATV, Inc., is legally, technically and financially qualified to
11 construct and operate a cable television system within the
12 county; and

13 **WHEREAS**, the Council has determined that it is in the best
14 interests of and consistent with the health, safety and welfare
15 of the citizens of the county to grant a cable television
16 franchise to Clearview CATV, Inc., on the terms and conditions
17 set forth in the attached franchise agreement;

18 **NOW, THEREFORE**

19 Section 1. Be It Enacted By The County Council of Harford
20 County, Maryland, that:

21 A. Clearview CATV, Inc., is granted a nonexclusive
22 franchise to construct, operate, maintain, and reconstruct a
23 cable television system within the county for a period of 15
24 years from the effective date of this Act.

25 B. The County Executive and County Council expressly
26 reserve the right at all times to exercise, in the interest of
27 the public, full superintendence, regulation, and control in
28 respect to all matters connected to this grant, consistent with
29 the provisions of the attached Franchise Agreement and to the
30 full extent permitted by federal law.

31 C. The Franchise Agreement and the franchise application
32 attached hereto are hereby incorporated and made a part of this

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1 Act.

2 Section 2. And Be It Further Enacted, that this Act shall take
3 effect sixty (60) calendar days after it becomes law, contingent
4 on the signing of the attached Franchise Agreement by the
5 authorized representative of Clearview CATV, Inc., and if the
6 Franchise Agreement is not so signed, this Act shall be null and
7 void without the necessity of further action by the County
8 Council.

9 EFFECTIVE: August 26, 1988
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Clearview CATV, Inc.

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394 Highland Drive
Mountville, PA 17554

PHONE: 717-299-0123

March 10, 1988

Harford County Council
20 West Courtland Street
Belair MD 21014

Dear Councilmen:

The men and women of Clearview CATV, Inc. are pleased and honored to have the opportunity to present this proposal to construct and operate a modern, comprehensive, state-of-the-art cable television system for Harford County.

We believe that the residents of Harford County will share with us in the excitement of the entertainment and communication possibilities offered with the implementation of our system which incidentally only begins to tap the potential of cable T.V.

The Managment team that will implement and operate your cable system has over 55 years of experience working together in communities like yours.

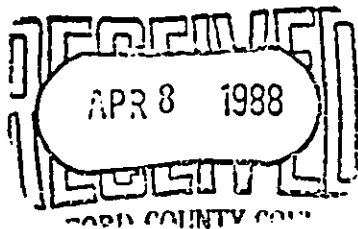
Since there is no application form, we have structured our proposal to reflect your cable television Chapter 235, which covers all the significant features of our system.

I am confident that the proposal will answer many of your questions, however, I am equally confident that it will not answer all. Therefore, please do not hesitate to contact us directly regarding questions or concerns that you might have.

Thank you again for the opportunity to propose our system and service.

Sincerely,


William B. Domurad



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CLEARVIEW CATV, INC.

PROPOSAL

FOR

HARFORD COUNTY

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I - The Company

Clearview CATV, Inc. is a legally qualified private held "S" Corporation doing business in the State of Maryland.

(See Exhibit A)

The principals are involved in acquiring franchises and systems in smaller communities often overlooked by the behemoths of the industry, then build operate and manage these systems.

Clearview believes that it is very important that the principals are involved in all day to day managerial duties and the "resumes" enclosed certainly bear out the fact that they have extensive experience in operating cable television systems on a daily basis. From the engineering, design, construction, hiring of personnel, setting up offices, communications with the community, and making daily management decision, the principals will be the guiding force on this service oriented system.

The financial capabilities of the company are backed by the principal's financial strengths, and any number of cable lending banks that they are presently doing business with, which has resulted from a long standing history of successful implementations of cable systems.

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List of Officers, Directors, and Stockholders

Officers

William B. Domurad - President

Alvin L. Miller - Treasurer

Brandt R. Warner - Secretary

Directors

William B. Domurad

Alvin L. Miller

Brandt R. Warner

Stockholders - % of Ownership

William B. Domurad, Alvin L. Miller, Brandt R. Warner

Each of the above owns one-third of Clearview CATV, Inc.

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II - Technical Design of System

Clearview proposes to construct a cable television system which is capable of carrying 54 channels (400MHz). The trunk will, by enlarge, be constructed utilizing Com/Scope PIII . 750 cable and the distribution shall be .500 cable. Since the initial channel offering will consist of approximately 36 channels, there will be 18 unused channels for future expansion as the need arises. The system shall be built to accommodate two-way capability by merely installing the necessary filters and reverse amplifying modules at such time as this technology is required. In addition Clearview proposes to utilize addressable converters, which will have remote control capabilities, to allow for the switching of premium services from our office or headend site thus eliminating the necessity to have technicians visit the subscribers home for changing services. This feature will also allow Clearview to participate in such events as Wrestlemania, boxing events, feature films, etc.

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III - Local Programming

Providing local programming is certainly of interest to the community and Clearview feels that during the initial construction of the system that maintaining and operation studio related facilities would only hamper the main purpose of the cable system, that being, getting service available to those areas which are without cable service. At such time as the system is fully constructed and a sufficient subscriber base is obtained, Clearview will address in detail local programming requirements. We would also like to mention that we are in favor of a county wide tie-in of other cable systems to allow for mutual benefits in locally produced programming. Finally, Clearview will carry a channel which allows for public messages and announcements to be aired via the cable system. Clearview does reserve the right to reject those messages and announcements which it deems are not in the proper context or best interest of the county since anything aired does carry certain liabilities to the system operator.

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IV - Program Offerings

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The following will be your new Basic Channel lineup;

Station/Affiliation or Programs	City of Origination
2 WMAR	NBC BALTIMORE
29 WTAF	IND PHILADELPHIA
5 WTTG	IND WASHINGTON
45 WBFF	IND BALTIMORE
8 WGAL	NBC LANCASTER
17 WTBS	IND ATLANTA
11 WBAL	CBS BALTIMORE
67 WMPB	PBS BALTIMORE
13 WJZ	ABC BALTIMORE
54 WNUV	IND BALTIMORE
17 WPHL	IND PHILADELPHIA
43 WPMT	IND YORK
20 WDCA	IND WASHINGTON
CNN	24 Hour News Coverage
CNN-H	Headline News Every 30 Minutes
MTV	Music Television Video(Rock)
VH-1	Music Television Video(Contemporary)
NICK	Children's Programming
ESPN	24 Hour Sports & Entertainment
TWC	24 Hour Weather Channel
LIFE	Programming For Today's Woman
TDC	Non-Fiction Science & Adventure
C-SPAN	Coverage of Government Sessions
USA	Sports & Variety Programming
CEN	Family Entertainment
A&E	Artistic Programming
HSN	Home Shopping
CVN	Home Shopping
TNN	Country Entertainment
MSI	Character Generator
FNN	Financial News Network

NOTE: Program lineup is set within the parameters of the FCC Rules and Regulations, the market demands, and subject to availability.

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The following will be your Premium lineup:

HOME BOX OFFICE	24 Hour Latest Premium Movies, Sports & Special Events
THE DISNEY CHANNEL	24 Hour Movies & Family Entertainment
CINEMAX	24 Hour Premium Movies
SHOWTIME	24 Hour Latest Premium Movies, Broadway Shows & Special Events
HOME TEAM SPORTS	Features Local Team Sports

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V - Access

Since Clearview is constructing a system that is capable of carrying 54 channels, there is sufficient capacity to allow for 4 channels to be set aside for the authority, public access, educational, and local programming. As previously outlined in addressing studio facilities, Clearview feels that this should also be addressed at such time as the system is constructed and the first order of business is completed, that being, the process of giving all possible residents the availability of receiving cable television service. The local channel, however, will be available for messages and announcements as previously proposed.

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VI - Policies of Operations

A. Office and Staff

Day to day operations of the Harford County system will be the responsibility of the General Manager directing the office and maintenance personnel.

The office will be open from 9:00 to 5:00 daily, Monday thru Friday. The people in this office will be responsible for the successful operations of the system as measured by customer satisfaction.

When the office is not open, maintenance/service calls will be taken by our 24 hour answering service.

B. Service Objective

It is our philosophy and objective that system outages be remedied within 2 hours of failure, service outages to individual subscribers within 24 hours of reporting, and quality complaints within 48 hours of reporting. Subscribers will be notified 24 hours in advance of planned system outages.

Our customer service maintenance staff will be on call 24 hours a day utilizing a communications system.

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C. Joint Services

Our installation and maintenance technicians are limited to servicing only the cable system's equipment. The responsibility of our maintenance personnel will be to maintain the system up to the antenna input terminals on the rear of the T.V. receiver.

D. Preferential Treatment

The personnel of our company will not show preferential treatment to any particular T.V. sales or service company. We shall however, cooperate with each and every T.V. sales and service company on an unbiased basis.

E. Offerings

The Cable T.V. service to be offered by Clearview CATV, Inc. is strictly voluntary. Anyone regardless of race, color, religion, national origin or sex passed by our cable system may subscribe if they so wish. To subscribe to the cable, when residents desire service they simply sign an Application for Service, which is not a contract and does not obligate the subscriber for specific periods unless offered as a sales premium.

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F. Indemnity and Insurance

Clearview CATV, Inc. will indemnify and hold harmless the County from any liability arising out of the conduct of the business contemplated by this proposal. Clearview CATV, Inc. will carry liability and property damage insurance in connection with this project.

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VII - RATES

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A. Rate Schedules

Clearview CATV, Inc. will maintain a standard rate quoted herein, for all areas it services in the County.

1. Residential

a) Installations - Basic/Premium Services

\$25.00 - Primary outlet
\$20.00 - Each additional outlet
\$20.00 - Trip Fee

b) Basic Monthly Service

\$14.25 - Primary outlet
\$ 3.00 - Each additional outlet

c) Premium Pay - Service

First Premium: \$10.50
Each Additional Premium: \$ 9.50
Each Additional Outlet: \$ 4.50

2. Hotel, Motel, Rooming House

a) Installation - Basic Services

Material and labor at cost plus 15%

b) Basic Monthly Service Charges

Subject to Negotiations

c) Premium Pay - Service and Installation

Subject to Negotiations

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3. Commercial Enterprise

Same as Hotel, Motel and Rooming House

4. Apartment, Condominium, Cooperative, Multiple Unit Dwelling

Same as Hotel, Motel and Rooming House



MARYLAND

State Department of Assessments and Taxation

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Nº 3435

THIS IS TO CERTIFY THAT

CLEARVIEW CATV, INC.

a Corporation organized under the Laws of the State of Pennsylvania
has duly Qualified: December 28th, 1987 at 9:00 AM, pursuant to the requirements
of the Laws of the State of Maryland to do interstate, intrastate and foreign
business in the State of Maryland, and that such Corporation has certified to the State Department of
Assessments and Taxation:

- a) The resident agent of the Corporation in Maryland is The Corporation Trust Incorporated
32 South Street Baltimore, MD 21202
- b) The mailing address of the Corporation is 394 Highland Drive
Mountville, PA 17554
- c) The location of the principal office of the Corporation in the State of Maryland is N/A

AS WITNESS my hand and the Official Seal of the
said Department at Baltimore this 29th day of
December, 1987


Joseph V. Stewart
Chapter Specialist

Commonwealth of Pennsylvania
Department of State

8764 41



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CERTIFICATE OF INCORPORATION

Office of the Secretary of the Commonwealth

To All to Whom These Presents Shall Come, Greeting:

Whereas, Under the provisions of the Laws of the Commonwealth, the Secretary of the Commonwealth is authorized and required to issue a "Certificate of Incorporation" evidencing the incorporation of an entity.

Whereas, The stipulations and conditions of the Law have been fully complied with by

CLEARVIEW CATV, INC.

Therefore, Know Ye, That subject to the Constitution of this Commonwealth, and under the authority of the Laws thereof, I do by these presents, which I have caused to be sealed with the Great Seal of the Commonwealth, declare and certify the creation, erection and incorporation of the above in deed and in law by the name chosen hereinbefore specified.

Such corporation shall have and enjoy and shall be subject to all the powers, duties, requirements, and restrictions, specified and enjoined in and by the applicable laws of this Commonwealth.



Given under my Hand and the Great Seal of the Commonwealth,
at the City of Harrisburg, this 14th day
of October in the year of our
Lord one thousand nine hundred and eighty-seven
and of the Commonwealth the two hundred twelfth

James J. Blaylock
Secretary of the Commonwealth

1003864

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EXHIBIT B

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Alvin L. Miller

Mr. Miller is the President of Jefferson Management, Inc.. He has a wide range of business experience in cable television, gained during his 20 years in the industry.

After serving as a contractor in cable television for 5 years, Mr. Miller formed Garden Spot Cable TV Services in Lancaster, Pennsylvania in 1971. The following year he obtained the franchise to build cable TV in the town of Red Lion and surrounding areas in Pennsylvania. Later that year he also purchased the Gettysburg, Pennsylvania cable system with 600 customers and increased it to 2300 customers. In 1975 he formed Keystone Communications, Inc. where he served as Chairman of the Board of Directors for four years. In that period of time, the Company established over 7000 customers, along with introducing the first Earth Station Satellite receiver in the Central Pennsylvania area. The company was subsequently acquired by a major CATV corporation.

In 1980 Mr. Miller and a former associate founded a new company called Penn Communications Inc.. This company applied for and received numerous municipalities and county franchises for cable TV in the Eastern part of the United States. That same year the Company also purchased Univ-Amp, Inc. which was a corporation that consisted of 6 cable television franchises outside of Knoxville, Tennessee.

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The system, at the time of acquisition, had 1100 customers .
At that time Mr. Miller saw a unique opportunity to really
expand this Tennessee property, so he purchase and became the
sole owner of Univ-Amp, Inc.. In 1984 he put the company
into a limited partnership called Jefferson City Cable TV
Associates, LTD. consisting of 3350 customers.

In conjunction with this he set up a company called
Jefferson Management Co., Inc. to oversee and consult other
limited partnership companies. He is also involved in
Highview CATV, Inc. a cable company in Southern Lancaster
County Pennsylvania.

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William B. Domurad

Mr. Domurad is Executive Vice President and Treasurer of Jefferson Management Co., Inc..

With 15 years of previous experience in the fields of Business Development and Marketing, Mr. Domurad was President and majority stockholder of Interstate Marketing Corporation near Washington, D.C. for five years. During that time, he successfully developed new programs and marketing for new products to introduce to consumers and industrial customers in carefully researched areas.

In 1981 Mr. Domurad joined Penn Communications, Inc. in which he directed development on specific municipalities and counties throughout the Eastern United States to determine the feasibility of introducing cable television systems. Once he determined the product need and marketing choice, he worked with the local government to develop the new cable system. He successfully produced 21 cable systems.

Along with his other responsibilities Mr. Domurad was named Executive Vice President of Advanced Satellite Services, LTD., a newly acquired division of Penn Communications, Inc. He was responsible for the development and implementation of the corporate business plan which redirected the company from 1200 to 4800 customers within six months.

In 1985 Mr. Domurad joined Jefferson Management Co., Inc. as Executive Vice President and Treasurer, and is

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a fifty percent stockholder. He has been involved in the financial structuring of cable television systems into limited partnerships. Mr. Domurad has also played a key role as a Managing General Partner to some of those systems.

In the latter part of 1986 Mr. Domurad co-founded Highview CATV, Inc. with Mr. Warner. The purpose was to build a new cable television system in Southern Lancaster County Pennsylvania. The company at this time has over 1000 customers with 55 miles of plant, with plans to expand to 2000 subscribers before the end of 1988. The result has been a direct effort by the co-founders of this system.

Mr. Domurad holds an Associate Degree in Business Administration from Wesley College and a Bachelor of Science Degree in Marketing from York College of Pennsylvania.

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BRANDT R. WARNER

With more than 15 years of experience in the CATV industry, Mr. Warner has proven his ability to perform at all levels of the cable television industry. Starting as an installer in 1972, Mr. Warner moved quickly into the position of technician, chief technician, and system foreman of Keystone Communicable, Inc. This company consisted of four separate systems in southeastern Pennsylvania and served 7000 subscribers. Mr. Warner's final year at Keystone was during a time when Tele-Communications, Inc., the largest cable company in the world, became the owner of Keystone. After one year with TCI Mr. Warner turned down the position of System Manager to accept a position with Penn Communications, Inc. in Hampton, New Hampshire. In one year Mr. Warner engineered the newly franchised area and launched sixty miles of plant before accepting a promotion of Corporate Operations Manager which moved him back to York, Pennsylvania in 1981. During the next six years Mr. Warner was responsible for the operations of cable television systems in thirteen states. In 1984 Mr. Warner was appointed Vice President and thus had additional responsibilities which involved communicating with public officials, formulating the groundwork for system projections, as well as the ongoing operations of thirty plus systems. These systems consisted of approximately 30,000 subscribers.

In April of 1986 Mr. Warner decided to venture on his own and

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thus formed Starview CATV, Inc. in May of 1986, which serves as a management company and also provides the vehicle necessary to construct cable television plant. Starview has since grown and presently has employees with a combined 50 years of experience in managing and construction cable television systems. In addition to Starview, Mr. Warner co-founded Highview CATV, Inc. with Mr. William Domurad in 1986 to build a new cable television system in southern Lancaster County Pennsylvania. To date Highview has, via Starview, constructed 55 miles of cable plant and serves 1000 customers. During the same time frame Starview also managed Canadochly Cable Communications, Inc. in eastern York County Pennsylvania. With Mr. Warner at the helm Canadochly has grown from a 20 mile system serving 500 customers to its present size of 46 miles serving 1105 customers.

In summation, at the age of 34 Mr. Warner has devoted a tremendous amount of time and endless energy to develop a career in the CATV industry. His extensive experience is the result of hands on experience, responsibility for the construction of cable television plant in excess of 1500 miles, the installation of some 15 headends, and the ongoing operations of many systems. It is this background that brings an ability to build, operate, and serve communities in the manner of excellence which they expect.

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DOUGLAS A. NACE

Mr. Nace started his career in 1974 servicing and installing television antennas in the York County Pennsylvania area. With cable television fast becoming the wave of the future, Mr. Nace, in 1976, took a position with Keystone Communicable, Inc. as an installer. While employed at Keystone Mr. Nace moved into a technicians position and also gained valuable experience in the construction of cable television plant. In 1980, Mr. Nace accepted the position of Construction Supervisor for Penn Communications, Inc. in which he engineered, constructed, and managed two systems in Maryland and Delaware, consisting of 35 miles. Mr. Nace then transferred within the company to engineer, construct, and manage Penn's franchised areas in Pennsylvania, completing the construction and activation of 35 miles of cable plant. In 1983 Mr. Nace was appointed to General Manager for Penn's systems on the Eastern Shore of Maryland. These newly franchised areas consisted of three systems located in three counties. Mr. Nace engineered, oversaw construction, and launched all three systems in 1983, which accounted for 180 miles of plant. In 1985 Mr. Nace was promoted to Regional Manager of Penn's Maryland systems where his responsibilities were to supervise a staff of 16 personnel as well as construction crews, which encompassed 6 cable television systems. He also dealt with local franchising authorities, worked with local utility companies for existing and new plant, secured right-of-entry agreements, engineered new construction, designed the new plant, and managed customer relations.

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Presently Mr. Nace has the position of V. P. of Operations for Starview CATV, Inc. where he directs the engineering, design, and construction. In addition he is responsible for the aerial and underground construction crews Starview employs as well as the installers which Starview employs for the cable television systems it constructs.

With more than 13 years in the industry, Mr. Nace has extensive experience as the result of hands on experience and management in construction and operations in the cable television field.

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BY THE COUNCIL

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BILL NO. 88-29 (As Amended)

Read the third time.

Passed LSD 88-19, June 14, 1988 (With Amendments)

Failed of Passage _____

By Order

Doris Poulsen, Secretary

Sealed with the County Seal and presented to the County Executive
for his approval this 15th day of June, 1988
at 3:00 o'clock P.M.

Doris Poulsen, Secretary

BY THE EXECUTIVE

APPROVED:



[Signature]
County Executive

Date 6-27-88

BY THE COUNCIL

This Bill, (No. 88-29, As Amended), having been approved by the
Executive and returned to the Council, becomes law on June 27, 1988.

Doris Poulsen, Secretary
of

EFFECTIVE DATE: August 26, 1988

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HARFORD COUNTY FRANCHISE AGREEMENT

THIS AGREEMENT, executed this 27 day of June, 1988, between Harford County, Maryland, and Clearview CATV Inc. a Corporation organized and existing under the laws of the State of Pennsylvania, having its principal office at 394 Highland Drive, Mountville, Pennsylvania, hereinafter called "Company".

Section 1. (TITLE) This Agreement shall be known and may be cited as the "HARFORD COUNTY FRANCHISE AGREEMENT".

Section 2. (DEFINITIONS)

(a) "Act" shall mean the Cable Communications Policy Act of 1984, as may be amended from time to time.

(b) "Cable System" shall mean a facility consisting of a set of closed transmission paths and associated signal generation, reception and control equipment, that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within the County, with the exception of those facilities specifically excluded under Section 602 of the Cable Communications Policy Act of 1984.

(c) "Code" shall mean the Harford County Code.

~~(e)~~ (d) "Company" is the grantee of rights under this non-exclusive franchise agreement.

~~(d)~~ (e) "Streets" shall mean and include all public streets, rights-of-way and roads owned by or under the jurisdiction of the County.

~~(e)~~ (f) "Subscriber" shall mean any person or entity receiving for any purpose cable service from a cable system of the Company.

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~~(f)~~ (g) "Council" shall be the County Council of Harford, Maryland.

~~(g)~~ (h) "County" shall be Harford County, Maryland, a body corporate and politic of the State of Maryland.

~~(h)~~ (i) "Gross Subscriber Revenue" shall include only those revenues derived from the monthly service charge fees paid by subscribers for regular cable television, including the transmission of broadcast signals and access and origination channels, if any, and premium or pay television channels. As specified by the Federal Communications Commission (FCC), "gross subscriber revenues" shall not include any revenues derived from reimbursement of expenses in the operation of any access channels, advertising, leasing of cable channels, programs for which per-channel or per-program charges are made, furnishing other communications and nonbroadcast services, either directly or as a carrier for another party, or any other income derived from the system.

~~(i)~~ (j) "Federal Communications Commission" or "FCC" is the present federal agency of that name as constituted by the Communications Act of 1934, or any successor agency created by the United States Congress.

~~(j)~~ (k) "County Channels" shall be those channels on the system which are used or are reserved for the use by the County as it

shall use in its discretion pursuant to the terms of this Agreement.

Section 3. (FRANCHISE) The County hereby grants a nonexclusive franchise to the Company for the installation, operation, maintenance and extension of a cable system within the County, and within the boundaries of the County as the same may hereafter be extended, for providing cable service to the residents of the County, upon the terms and conditions and subject to the limitations herein set forth.

Section 4. (ANNEXATION) Upon the annexation of any territory to the County, the portion of any cable system of the Company that may be located or operated within said territory shall thereafter be subject to all the terms of this Agreement as though it were an extension made hereunder.

Section 5. (COMPLIANCE WITH APPLICABLE LAWS AND ORDINANCES) The Company shall, at all times during the life of this franchise, be subject (i) to the terms of this Agreement, (ii) to all lawful exercise of the police power by the County, (iii) to such reasonable regulations as the County shall hereafter by resolution or ordinance provide which are not expressly forbidden by or inconsistent with the provisions of the Act and (iv) to all other applicable laws, rules and regulations now in effect or hereafter adopted.

Section 6. (LIABILITY OF COMPANY) In accordance with
~~[The]~~
Section 235.18 of the Code, the Company shall indemnify and save the County and its agents and employees harmless from any

and all claims for personal injuries or property damage, and any other claim and costs, including counsel fees, expenses of investigation and litigation of claims and suits thereon, which may arise from the installation and/or operation of the Company's cable system. In case suit shall be filed against the County, either independently or jointly with said Company, to recover for any of said claims or damages, said Company, upon notice to it by the County, shall defend the County, its agents and employees, against said action, and, in the event of a final judgement being obtained against the County, either independently or jointly with the Company, the Company will pay said judgment and all costs and hold the County harmless therefrom. For this purpose, Company shall carry and at all times maintain on file with the Secretary of the Council, and at all times keep in force, a public liability policy or policies in the name of the Company and the County, as their respective interests may appear, insuring Company and County against any and all liability arising from the installation and/or operation of the cable system, which policy or policies shall be approved by the Attorney for the Council. Such liability policy or policies shall be not less than Five Hundred Thousand (\$500,000.00) Dollars for damage to property in any one accident, and not less the One Million (\$1,000,000.00) Dollars for injury or death to any one person, and not less than the sum of Two Million (\$2,000,000.00) Dollars for injury or death to all persons affected by any one accident. The Company shall also carry worker's

compensation coverage for all of its employees subject to such coverage and shall submit to the Secretary of the Council a certificate of insurance showing that worker's compensation coverage is in effect. Such policies of insurance shall be by a company licensed to do business in the State of Maryland.

Section 7. (PAYMENT TO THE COUNTY) In accordance with
Section 235.13 of the Code, the ~~[The]~~ Company shall annually pay a franchise fee to the County during the life of the franchise, said franchise fee to be in the amount of Three (3%) percent of the Company's total gross subscriber revenues per year as derived from operations in the County. The franchise fee shall be ~~[the first day of April]~~ due and payable on or before March 15 of each and every year for the period covering the previous calendar year.

Section 8. (EXAMINATION OF COMPANY RECORDS) In accordance
with Section 237.17 of the Code, the ~~[The]~~ Company shall keep full, complete and accurate books of accounts and records of the business and operations in the County and shall maintain those records at the Company's office in the County.

The County or its duly authorized representatives shall have access to all of the records described above. The Company shall provide such access between the hours of 9:00 A. M. and 5:00 P. M. upon receipt of forty-eight (48) hours' prior notice.

Section 9. (SERVICE STANDARDS) In accordance with Sections
235.9, 235.10, 235.11 and 235.14 of the Code, the ~~[The]~~ Company shall, during the continuance of this franchise, provide facilities

and service sufficient to meet the needs of the public and shall maintain its facilities and service up-to-date and in keeping with technical progress. The Company shall maintain, operate and render efficient service in accordance with the Act, the Code and under such rules, regulations and standards as are from time to time established by the County or by any Federal or State agency having jurisdiction. The cable system shall be installed and maintained in accordance with good engineering practices. All construction must be done in a good and workmanlike manner, free of defects which may be a hazard to life and limb, and in conformance with the standards set forth in the National Electric Safety Code. The following additional service standards shall apply to the franchise granted under this Agreement:

(a) Notice of Interruption for Repairs. Whenever it is necessary to shut off or interrupt service for the purpose of making repairs, adjustments or installations, the Company shall attempt to do so at such times as shall cause the least amount of inconveniences to its customers, and unless such interruption is unforeseen and immediately necessary, it shall attempt to give reasonable notice thereof to its customers.

(b) Interference. Subject to Federal technical standards, the Company shall at all times operate the cable system so as not to adversely affect or interfere with existing radio and television reception and shall prevent radiation from the Company's cable system to antennas located in the County.

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(c) Complaints. In accordance with Section 235.11.B.
~~{The}~~
of the Code, the Company agrees to respond to and investigate all complaints received from its subscribers within the County and to resolve said complaints in an efficient and timely manner if at all technically and reasonably possible, and the Company's agents or employees shall be available for such purposes in the County.

Section 10. (OFFICE) In accordance with Section 245.11.B and
~~{Set}~~
235.17 of the Code, so long as it continues to operate the system, or any portion thereof in the County, the Company shall maintain a principal office in the County and hereby designates such office as the place where all legal notices, directions, orders and requests may be served or delivered pursuant to the terms of this agreement. The granting authority shall be immediately notified of the location of such office or any change thereof.

When the office is not open, maintenance/service calls will be taken by the Company's 24 hour answering service.

Section 11. (TRANSFER OF FRANCHISE) In accordance with Section
~~{The}~~
235.25 of the Code, the franchise granted hereunder shall be a privilege to be held for the benefit of the public. The Company's right, title or interest in the franchise shall not be sold, transferred, assigned or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with Company, without the prior consent of the Council, such consent to be determined by the Council to be in the best interest of the public.

In the event that the Company seeks the Council's consent for an assignment, the Council shall act by resolution upon said request ~~within forty-five (45)~~ within sixty (60) days of request or the assignment shall be considered to be approved automatically. A change, transfer, sale or assignment of more than five percent (5%) of the ownership or control of the Company shall be considered to be a sale, transfer or assignment of the franchise requiring Council approval. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of Company in the Franchise of cable system in order to secure indebtedness incurred to construct and operate the system.

Section 12. (CONDITIONS ON STREET OCCUPANCY) The following conditions shall apply to street occupancy by the Company:

(a) Use. All transmission and distribution structures, lines and equipment erected by the Company within the County shall be located with the approval of the Council and shall be so located as to cause minimum interference with the rights and reasonable convenience of property owners who use the streets of the County. Upon request, the Company shall furnish the County with a map showing the cable system in sufficient detail to assure the County of being currently advised as to the location of the cables. Upon request and in accordance with Section 235.16 of the Code, it shall be the responsibility of the Company to keep the County advised of any and all changes, additions and removals to the cable system

except for the individual subscriber's connection wires.

(b) Restoration. In the case of any disturbance of pavement, sidewalk, driveway or other surfacing, the Company shall, at its own cost and expense, replace and restore all paving, sidewalk driveway or surface of any street disturbed in as good condition as before said work was commenced.

(c) Relocation. In the event that at any time during the term of a franchise granted hereunder, the County shall lawfully elect to alter or change the location or grade of any street, road or other public way or if in the opinion of the Council a pole or pole line interferes with the necessary convenience of the County or a property owner, then upon reasonable notice to the County, the Company shall remove, relay and relocate its poles, wires and cables or other cable system fixtures at its own expense.

(d) Tree Trimming. In accordance with Section 235.9.K of
~~{The}~~
the Code, the Company shall have the authority to trim trees upon and overhanging streets, roads and public places of the County so as to prevent the branches of such trees from coming in contact with wires and cables of the Company, all trimming to be done shall be at the expense of the Company.

(e) Use of Poles and Fixtures. The Company agrees that it will upon request furnish a copy of any contract entered

into with any public utility for the use of their poles by the Company and setting forth the terms, conditions and duration of said contract. The Company agrees that the copy of the aforementioned contract will be filed upon request with the Secretary of the Council prior to starting any installation of wires or other facilities on County streets or rights-of-way under the franchise.

(f) Removal of drop wires from premises of Subscribers. The Company shall, on request of any subscriber, promptly remove all drop wires and installation from the premises of such subscriber.

(g) Removal of wire, poles, and installations from County streets. The Company shall remove or cause to be removed from the streets, roads and public ways of the County, and from all public property, all of the wires, poles and installations of any kind or nature whatsoever which have been installed under the authority of the franchise granted hereunder upon the termination of the franchise or upon cessation of operation under the franchise by the Company, its successors or assigns, for any reason whatsoever.

Section 13. (COUNTY CHANNEL) The Company, at its own expense, shall deliver a dedicated cable line from our distribution facility to the Harford County Community College for the purpose and exclusive use of a dedicated county channel for non-commercial programming as the County may direct.

Section 14. (REPORTS REQUIRED) In accordance with Section
[For]
235.16 of the Code, for the purpose of administering this
Agreement, the Company shall, concurrent with the payment
of the fee specified in Section 7 hereof, file a verified statement
of the gross subscriber revenues received from subscribers in the
County for the preceding fiscal year.

Section 15. (LINE EXTENSION POLICY) The Company shall service
any location that has 25 homes per linear mile, or fraction thereof,
and is within three hundred (300) feet of and contiguous to an exist-
ing distribution or trunk cable line. However, the Company is not
required to provide service to any area that is being served by any
other cable television company that holds a franchise from the "Council".

The Company shall also provide free basic cable television
service and installation to an outlet within public and private
schools, firehouses or county buildings, provided that such locations
are within three hundred (300) feet of any trunk or distribution
cable line.

Section 16. (TERM OF FRANCHISE) The franchise and rights herein
granted shall take effect upon the effective date of the Ordinance
granting the franchise and upon the filing and written acceptance
of the terms of the franchise by the Company with the Secretary of
the Council and shall continue in full force for a term of fifteen
(15) years from the date of the filing of said acceptance except
as herein otherwise provided.

Section 17. (DEVELOPMENT OF AND ACCESS TO CABLE SERVICE)

The Company shall not deny access of cable service to any
group of potential residential cable subscribers because of the

income of the residents of the local area in which such group resides, provided, such area meets the Company extension policy.

Section 18. (NOTICE OF VIOLATION) In the event that the Council believes that the Company has not complied with the terms of the Franchise, it shall notify Company of the exact nature of the alleged non-compliance. Company shall have thirty (30) days from a certified receipt of the notice to respond to the Council to cure such default or, in the event that, by the nature of default, such default cannot be cured within the thirty (30) day period, to initiate reasonable steps to remedy such default and notify the Council of the steps being taken and the projected date that they will be completed.

Section 19. (MATTER OF NOTICES) Unless expressly otherwise agreed between the parties, every notice or response to be served upon the Council or Company shall be in writing, and shall be deemed to have been duly given to the required party five (5) business days after having been posted in a properly sealed and correctly addressed envelope by certified or registered mail, postage prepaid, at a Post Office or branch thereof regularly maintained by the U.S. Postal Service.

Section 20. (SECURITY FUND) In accordance with Section 235.19
~~of the Code, within~~ within ninety (90) days after the signing of the Agreement the Company shall deposit with the County the sum of Five Thousand (\$5,000.00) Dollars, which shall remain in full force and effect throughout the term of this Franchise

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Agreement to guarantee the payment of all sums which may become due to the County under this Franchise Agreement, including the removal of attachments upon termination of this Franchise Agreement by any of its provisions, and such money shall guarantee to the County the performance by the Company of all the provisions of this Franchise Agreement and all laws, rules and regulations herein permitted to be adopted and enforced. County shall not make a claim against such money unless it has a reasonable belief that Company has violated this Agreement or may be financially unable to pay the Franchise fees due hereunder. In addition, the Company shall maintain and file with the Secretary of the Council annually, during the entire term of this franchise, a corporate surety bond or other adequate surety agreement in the amount of Twenty Thousand (\$20,000.00) Dollars with a surety qualified to do business in the State of Maryland and approved by the Council Attorney. The bond or agreement shall be conditioned upon the faithful performance of the terms of this franchise by the Company and shall be further so conditioned that in the event the Company shall fail to comply with any law, ordinance or regulation regulating the franchise, there shall be recoverable jointly and severally from the principal and surety any damages or loss or costs suffered or incurred by the County as a result thereof, and including the full amount of any compensation, indemnification, cost of removal or abandonment of any property or other costs which may be in default up to the

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full principal amount of such bond. Said condition shall be a continuing obligation during the entire term of such franchise and thereafter until the Company shall have satisfied in full any and all obligations to the County which arise out of or pertain to this franchise. Neither the provisions of this section nor any bond accepted by the County pursuant thereto, nor any damages recovered by the County thereunder, shall be construed to excuse faithful performance by the Company, or limit the liability of the Company, under any franchise or for damages, to the full amount of the bond. The bond shall contain the following endorsement:

It is hereby understood and agreed that this bond may not be cancelled nor the intention not to renew be stated until thirty (30) days after receipt by the Secretary of the Council, by registered mail, of a written notice of such intent to cancel or nonrenewal.

Two (2) copies of all bonds, or certified copies thereof, and written evidence of payment of required premium shall be approved by the Council Attorney and filed and maintained with the Secretary of the Council during the term of the franchise as granted hereunder, or any renewal thereof.

Section 21. (ACCEPTANCE OF FRANCHISE) This Agreement shall constitute a contract between the County and the Company for all the uses, services and purposes set forth herein, and the Company by its

acceptance of the provisions of this Agreement, binds itself to provide the necessary cable system and to establish, operate and maintain the cable system contemplated by this Agreement, continuing without substantial interruption except for causes beyond its control until the expiration of the term of this grant.

Section 22. (INCORPORATION OF PROPOSAL) On March 10, 1988, the Company filed an application for this franchise. All of the terms of the said application, including the technical design of the system, local programming, program offerings, policies of operations and rate schedules, are hereby incorporated herein by reference.

Section 23. (CONFLICTS WITH THE ACT AND THE CODE) The County and the Company recognize that this agreement imposes certain burdens and obligations on the Company that are greater than those imposed by the Act or the Code, and the Company agrees to be bound by these greater burdens and obligations. It is not the intent of this Agreement to impose burdens and obligations on the Company that are less than those imposed by the Act or the Code, and in the event that any part of this agreement imposes a lesser burden or obligation on the Company than a provision of the Act or the Code, the Act or the Code shall control.

Section 24. (SEVERABILITY) If any sentence, clause, section or part of this Agreement is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Agreement.

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AS AMENDED

It is hereby declared as the intent of the Council that this Agreement would have been enacted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein.

WITNESS the hands and seals of the parties the day and year first written above.

HARFORD COUNTY

BY:

HABERN FREEMAN, COUNTY EXECUTIVE

CLEARVIEW CATV, INC.

BY:

WILLIAM B. DOMURAD
PRESIDENT

APPROVED AS TO FORM AND CONTENT

BY:

VICTOR BUTANIS, COUNTY ATTORNEY

ATTEST:

BY:

BRANDT R. WARNER
SECRETARY

COUNTY COUNCIL OF HARFORD COUNTY

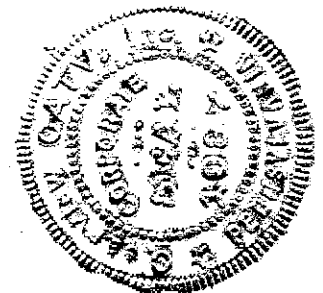
BY:

JOHN W. HARDWICKE, PRESIDENT

APPROVED AS TO FORM AND CONTENT

BY:

LESTER H. FEINBERG, COUNCIL ATTORNEY



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AS AMENDED